

## **Approved Meeting Notes**

November 22, 2005

### **St. Mary Rehabilitation Working Group Meeting Draft 10:00 – 3:00 November 22, 2005 Sacred Heart Church- Fort Belknap, Montana**

#### **Welcome and Introductions:**

Members Present: Randy Reed, Marko Manoukian, Dave Peterson, Randy Perez, Kevin Salsbery, Dolores Plumage, Pat Thomas, Paul Tuss, Gary Anderson, Max Maddox, John Lacey, Jim Rector, Larry Martinson, Mike Barthel, Michael DesRosier, Steve Page, Matt McCann, Larry Mires (Exec. Director) Brandi Beecher (Exec. Assistant)

#### **Information included in meeting handouts:**

- Agenda
- Draft Meeting Notes from SMWG Exec. Committee meeting held November 11, 2005.
- Recommendations for Improvements to the Process Agreement
- Draft Meeting Notes from SMWG October 26, 2005 meeting in Chinook.
- Approved Meeting Notes from SMWG September 28, 2005 meeting in Great Falls.
- Participant Satisfaction Scorecard from Montana Consensus Council.

#### **Review and approve meeting agenda:**

- Meeting agenda approved with the addition of a TERO Presentation from Rodney Gervais, Director of Blackfeet Tribal Employment Rights Office.

#### **Review and approve October 26 meeting notes:**

- Reviewed October 26 Draft meeting notes. Group discussed changing meeting notes to reflect a summary of the meeting, instead of a lengthy transcript.
- Group approved by consensus the October 26 draft meeting notes, with recommended changes submitted by Paul Azevedo.
- Group approved condensing meeting notes by consensus.

#### **Tribal Employment Rights Office Presentation**

- Rodney Gervais, Director of the Blackfeet Tribal Employment Rights Office (TERO) talked about employment requirements on the Blackfeet Reservation. Employers on the Reservation are required to create and follow an Indian Hiring Preference Plan with the TERO office. Gervais explained TERO is not a racial preference plan; it is a political preference hiring plan because Tribes are sovereign nations. Each employer is reviewed on a case by case basis, depending on the availability of qualified Indian workers available for the jobs.

#### **Review Amendments to Process Agreement**

- Judy Edwards presented a summary of recommended changes to the Process Agreement.
  - Suggested group use alternate instead of sending proxy vote.
  - Suggested changes to the decision making process, if group reaches a stalemate item should be tabled until future meeting.
  - Suggested setting a dollar amount for the Executive Committee to work with.
- Group discussed setting a dollar limit (\$1,500 to \$2,500) for the Executive Committee to work with. Group will make decision on limit during next meeting.

#### **St. Mary's Operation Report**

- Lake Sherburne is currently at 33,380 acre feet, which is 50% full.
- Fresno Reservoir is currently at 48,348 acre feet, which is 52% full.
- Nelson Reservoir is currently at 57,323 acre feet, which is 72% full.

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### **Progress Report on Phase 2 Economic Study**

- Dr. John Duffield of Bioeconomic Incorporated presented a draft report on the Phase 2 economic study analyzing regional economics including potential jobs and income and the benefit cost analysis of the St. Mary Rehabilitation project. The draft study predicted significant economic opportunities for the Milk River basin including job creation and the potential of expanding irrigated acres in the Milk River Basin. Duffield also discussed indirect impacts such as hunting, fishing and recreation. Duffield felt the numbers used in the report were solid and there may be issues with the non-irrigation benefits. The draft report is expected to be completed and released by December 1.

### **Update from Congressional Delegation Staff Members**

- US Senator Conrad Burns's Representative Sarah Converse reported \$500,000 for St. Mary Rehabilitation planning has been approved for the expenditure of funds. Converse said she is pleased that the SMWG is working on their version of authorization language and Senator Burns is pushing BoR to work on additional authorization language.
- US Senator Max Baucus' Great Falls Area Representative Bonnie Keller introduced Kristina Davis as the new Baucus staffer, who will be working with the SMWG.

### **Budget Update**

- Paul Tuss reported the annual budget is now being tracked by Bear Paw's computerized accounting system and this will be helpful in tracking Milk River Basin expenditures.
- Tuss pointed out an expenditure of \$823 paid to the Montana Consensus Council however the bill should have been submitted to DNRC and paid out of the RDGB grant. The funds will be returned to the Basin funds and the Montana Consensus Council will submit an invoice to DNRC.

### **Upcoming Meetings & Conferences**

- Larry Mires reported after networking during the National Water Resources Association (NWRA) Annual Conference, the SMWG has been invited to participate in several upcoming meetings and conferences.
  - December 2, Spearfish, S.D. Upper Missouri River Water Users Association  
Estimated cost to attend is \$659. Paul A. planning on attending.
  - December 6, Denver, C.O. NWRA Beginning Task Force on Infrastructure  
Estimated cost to attend is \$1,165. John Tubbs planning on attending.
  - January 5, 2006, Phoenix, A.Z. NWRA Endangered Species Act Conference  
Estimated Cost \$1,100. Mike Barthel expressed interest in attending.
  - January 12-13, 2006, Las Vegas, N.V. Family Farm Alliance (FFA) Water in the West  
Estimated Cost \$1,500.
  - January 18-19, 2006, Reno, N.V. 2006 Water User's Conference  
Estimated Cost \$1,000. Larry Mire is featured speaker during conference.
  - March 2, 2006, Las Vegas, N.V. FFA Annual Meeting  
Estimated Cost \$1,500. Governor Schweitzer has been invited as a panelist.
  - April 2-6, 2006, Washington, D.C. FFA National Conference  
Estimated Cost \$2,500.
  - Potential travel to Washington, D.C. when Authorization is introduced to Congress.

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- Group discussed cost of the meetings and potential benefits of gathering National support for the St. Mary/Milk River Rehabilitation. Matt McCann cautioned of depleting travel budget at the beginning of the project and suggested selecting conference cautiously. Jim Rector and Randy Reed felt gathering support from other groups may be very beneficial to the Authorization effort. John Tubbs suggested sending more than one person to each of the meetings to assist with logistics during presentations. Sara Converse added the travel and networking with other states may be very important when the Authorization is introduced to Congress.
- Group approved Larry and one additional SMWG member traveling to all listed conferences by consensus.

## **Project Authorization Update**

- John Tubbs reported several attended November 11 Authorization Subcommittee meeting with BoR and felt it was a good brainstorming session. Subcommittee meeting discussion included current irrigation contracts, multiple uses for the St. Mary/Milk River Irrigation system, repayment capacity of irrigators, who would operate the rehabilitation project and system and two types of agreements including Water Service contracts vs. Repayment contracts. Tubbs said USBR representative commented irrigation is very important, but didn't feel multiple uses was important.
- Tubbs acknowledged that there was no agreement among the SMWG on what should be included in the initial draft. Discussion centered on three options including the St. Mary Diversion Facilities, St. Mary Reserved Works (defined as the St. Mary Diversion Facilities, Fresno Reservoir, and Nelson Reservoir), and the Milk River Project (defined as St. Mary Reserved Works and all of the irrigation districts). It was agreed to address these three options in separate drafts of authorization and the options will be discussed at length and in detail during the next meeting. Tubbs said DNRC is tending toward the St. Mary Reserved Works.
- Group added changes to the authorization uses sideboards. Hydropower should be changed to renewable resources. Benefits need to include Blackfeet and Fort Belknap Tribes.
- Tubbs gave an overview of the Pick-Sloan Act of 1944. Discussed potential of adding hydropower to the St. Mary project and will be analyzed during the feasibility study. Kent Heidt is working on a version of Authorization language focusing on Pick-Sloan and the entire Milk River system.
- Group discussed what should be included in authorization.
  - Kevin S. said need to include entire St. Mary/Milk River system.
  - Jim R. reminded group US Senator Conrad Burns urged SMWG to look at the entire system.
  - Randy R. talked about concerns of a lengthy feasibility study if going to rehabilitate the entire system.
  - John L. reminded group economic analysis looks at the economic impacts to the entire Milk River Basin.
  - Steve P. added cost share is critical and must sell project in the basin and it must include the entire basin. Steve cautioned Glasgow area will not support anything short of the entire project. Not authorizing the entire project could put funds in jeopardy if the authorization does not include the entire project. Reminded group of Senator Burn's advice to include the entire system.

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- Lenny Duberstein said BoR would like to see the comprehensive system analyzed including the Water Compacts and Canadian issues to see if the project is viable. Also estimated it may take 3 years for NEPA Compliance for the entire system in the \$3-\$4 Million cost range.
- John Tubbs will task Kent Heidt with drafting three potential authorization strawmen on options of rehabilitating the St. Mary Reserved Works, the entire St. Mary/Milk River System and the Pick-Sloan project for the entire system.

## **Engineering Report**

- Erling Juel of TD & H reported the engineering work is on track. Draft economics report expected to be released within 10 days. Hydrology report is on track and may have a presentation ready for the next SMWG meeting. Blackfeet Surveying crew is working beside TD & H.

## **Report on National Water Resources Annual (NWRA) Conference**

- Larry Mires reported the NWRA Annual Conference held in Honolulu November 7-11, 2005 was a very worthwhile trip. Max Maddox, Randy Perez, Paul Azevedo, Lt. Gov. John Bohlinger and Larry M. attended. Gave presentation on the St. Mary/Milk River Rehabilitation effort to conference attendees and met with USBR Commissioner Keys on the rehabilitation effort. Commissioner Keys directed Mike Ryan to work with the SMWG and DNRC on the Authorization of the St. Mary/Milk River rehabilitation and brought up four main issues for rehabilitating the system.
  - 1) Compacting with Tribes
  - 2) International Joint Commission
  - 3) Environmental Compliance/Endangered Species Concerns
  - 4) Engineering Design or What does the SMWG want to accomplish with the project. (Larry M. and Paul A. had different interpretations of the conversation.)
- Commissioner Keys suggested a two year feasibility study costing \$6-\$10 Million would be required.
- Commissioner Keys did not receive the July request for authorization language, submitted by the SMWG. There was a break down in communications and Senator Burns's staff is working to make sure the authorization request is forwarded to the USBR.

## **Comments from Working Group Members**

Gary Anderson

- City of Chinook can pay for Gary's travel to send him to SMWG meetings, but feels the SMWG should pay for non-monthly travel such as committee meetings, Congressional/Legislative meetings.

Marko Manoukian

- Malta community is happy to contribute to his travel for the SMWG meetings and efforts.

John Tubbs

- Suggested SMWG members to read and study Mike Dailey's report on the problems with the Milk River Irrigation system and educate themselves.

Pat Thomas

- Talked about the problems with the water supply in the Babb area. Two wells supply the water for the new Babb School and the water table drops when the canal is shut down. Boulder Creek and Swift Current system would run through old Babb, if the water did not

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divert the water into the St. Mary canal. Believes the solution is to join the communities of Old Babb and New Babb with water line and the SMWG should pay for the system with recent Congressional appropriations. DNRC and BoR may have grant funds available to fund the project.

Steve Page

- Need to address Pat Thomas's request/concern on Babb area water.

Michael DesRosier

- Suggested using Spider Lake to keep wet lands available. Erling Juel said Spider Lake is inoperable. May be used to keep first five miles of the canal running but ices up very quickly.

## **Public Comment Period**

Kristina Davis

- Introduced herself as US Senator Max Baucus' new Field Director and reminded SMWG to keep Senator and his staff informed as move through the authorization process.

## **Next Meeting**

- Tuesday, January 10, 2005 in Glasgow.

## **Summary of Agreements**

- Approved notes from October 26 meeting in Chinook with Paul A. recommended changes.
- Approved condensing meeting notes to reflect a summary of the meetings instead of a transcript.
- Approved meeting agenda with the addition of TERO presentation from Rodney Gervais, Director of Blackfeet Tribal Employment Rights Office.
- Approved Larry M. and others to attend Upper Missouri River Water Users Association Conference in Spearfish, SD, National Water Resources Association Beginning Task Force on Aging Infrastructure in Denver, CO, National Water Conference focusing on Endangered Species Act in Phoenix, AZ, FFA Water in the West meeting in Las Vegas, NV, 2006 Region 6 Water Users Conference in Reno, NV, FFA Annual Meeting in Las Vegas, NV, and NWRA Annual Conference in Washington, DC.
- Approved having Kent Heidt draft authorization language using three different options; the St. Mary Diversion Facilities, St. Mary Reserve Works, the full Milk River System.

## **Summary of Action Items**

- DNRC to task Kent Heidt with drafting three potential versions of authorization language.
- Authorization Subcommittee will meet on December 16 in Great Falls.
- Mike Daily will send out report regarding irrigator's concerns to the SMWG before the next meeting.
- Pat Thomas to contact John Tubbs to discuss potential DNRC grant programs to assist with water problems in Babb area.
- Lenny Duberstein will check into BoR Drought Program options available for Babb situation and will follow-up by contacting Jeri Lawrence and John Tubbs.